

File Attachment:

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Description:

On Thursday January 28, 2021 Apex Clearing Corporation along with the DTCC and a series of other large broker dealers asymmetrically restricted trading of buy orders of securities other large firms had immense short positions in. This was a highly unusual event, and the results were predictably catastrophic for those like myself with long positions in the affected securities. Afterwards, though many very relevant facts about market structure, conflicts of interest, and predatory practices were raised, very little of substance was done. As well Apex Clearing Corporation while clearly playing an outsized role didn't even appear at the relevant Congressional Hearing with the House Financial Services Committee. To this day the SEC engages in a PR campaign to disparage individual retail investors, and discourage investment in securities of the legitimate businesses these large firms had, and likely have, immense short exposure to.

It continues to allow "naked" shorting of these securities by market makers who have already been caught abusively shorting companies and manipulating the price of securities down (which would obviously be in the interest of a firm with a considerable short position), while using derivatives and their privileges as "authorized participants" along with other techniques to hide these positions and spread out risk and exposure from merely themselves on to many other parties and counterparties. Market makers and large participants who openly buy retail orders to obstruct, misprice, and trade against, while using the information gained from the purchase of these orders for the benefit of their own investments and to the detriment of those who placed the orders themselves. All when "collateral requirements" are a problem so pressing it's apparently worth shutting down half the market, or at least retail's portion of that half of the market.

The conflicts of interest are so flagrant and numerous this likely comes as no surprise to whoever may be reading this complaint. But this complaint is also meant as a cautionary warning, because these practices are completely unsustainable. And when one day it all comes to an end, it will not be the fault of myself or any other individual investor, but much more likely the fault of those who engaged in or allowed these practices to continue. Unfortunately it's impossible to avoid the risk this exposes the American people and all of their investments to, as the risk is systemic in nature, by design. I implore you to reconsider before it's too late.